

SUBJECT: Clarification of Manufactured Products under Buy America

On December 21, 2012 the FHWA sent out a memo to clarify their position with regard to application of Buy America requirements to manufactured products.

The FHWA memo reads in part as stated in italics below, clarifying statements are added in bold:

The FHWA deems a product to be manufactured predominantly of steel and iron if the product consists of at least 90% steel or iron content when it is delivered to the job site for installation. To clarify; the 90% is a percentage of the total monetary value of the manufactured product. To determine the 90% value, divide the raw steel or iron cost by the total manufactured product cost (without taxes, shipping, handling or other fees applied), and if the percentage is equal to or greater than 90% of the final manufactured product cost then Buy America applies.

For purposes of applying Buy America and determining whether a product is a steel or iron manufactured product, the job site includes the sites where any precast concrete products are manufactured. To clarify; in the specific case of “precast concrete products” the casting yard is considered part of the “job site” for Buy America purposes, and therefore the iron or steel materials delivered to precast yard are subject to Buy America. (rebar, grates, etcetera)

The memo lists several typical “*miscellaneous steel or iron components,*” that are exempted from Buy America. The list is not intended to be all-encompassing, but rather reinforces a concept that the myriad minor iron and steel subcomponents used to assemble products are not subject to Buy America. This exemption applies to manufactured items as well as on site fabrication.

The miscellaneous steel or iron components, subcomponents and hardware necessary to encase, assemble and construct the above components (or manufactured products that are not predominantly steel or iron) are not subject to Buy America coverage. Examples include, but are not limited to, cabinets, covers, shelves, clamps, fittings, sleeves, washers, bolts (this does not mean high strength bolts), nuts, screws, tie wire, spacers, chairs, lifting hooks, faucets, door hinges, and etcetera.

Typical examples;

- Steel electrical conduit installed at the site,
 - 90% rule applies
 - BA criteria applies
- VMS sign
 - 90% rule applies
 - BA would typically not apply
- VMS steel supporting structure
 - Specifically called out in the bulleted list (12/21/12 Memorandum #HIPA-30)
 - BA criteria applies
- Electrical cabinets,
 - Exempted as “*miscellaneous steel or iron components,*”

- BA typically would not apply
- Off the shelf or special order catch basins,
 - This qualifies as “*precast concrete products*,”
 - “*the job site includes the sites where any precast concrete products are manufactured*,”
 - Materials are subject to BA criteria
- Standard nuts, bolts, fasteners for mounting signs
 - Exempted as “*miscellaneous steel or iron components*,”
 - BA typically would not apply
- High strength bolts/anchor bolts,
 - BA criteria applies
- Bridge Expansion Joint,
 - Nuts, bolts fasteners
 - Exempted as “*miscellaneous steel or iron components*,”
 - BA typically would not apply
 - 90% rule applies as it is delivered to the site
 - BA may or may not apply
- Walls, regardless of type
 - Nuts, bolts fasteners
 - Exempted as “*miscellaneous steel or iron components*,”
 - BA typically would not apply
 - MSE straps or equivalent
 - BA criteria applies
 - Precast elements
 - See “*precast concrete products*” criteria
 - Materials are subject to BA
 - Assembled on site
 - Materials as they are delivered to the jobsite,
 - BA criteria applies
- Computers for ITS and Signal Installation
 - 90% rule applies as it is delivered to the site
 - BA typically would not apply
- Street Furniture
 - 90% rule applies
 - BA criteria would typically apply
- Pumps and Motors
 - BA criteria applies
- Steel Beams in Building Construction
 - BA criteria applies
- Bicycle Purchases (bicycles with aluminum frames)
 - 90% rule applies
 - BA criteria typically would not apply

The 90% rule applies to items that are manufactured offsite and delivered to the jobsite as a unit (except in the case of precast concrete where the point of manufacture is considered the jobsite.) Walls that are assembled on site are not considered a manufactured item and therefore are not subject to the 90% rule as a unit. The individual materials must meet buy America when they are delivered to the job site.

This FHWA memo does not require any change to current specification language concerning Buy America. This memo does not impact the requirement for materials permanently incorporated beyond the exemption of the noted minor items.

You may apply this clarification of the Buy America requirements to your current contracts. Consistent determinations of the application of Buy America are critical to our ability to enforce this requirement statewide. Therefore, if you have unusual items that do not lend themselves to the criteria, contact your Local Programs Engineer for a determination.

Also enclosed are the updates to Construction Manual Chapter 9-4 Specific Requirements for Each Material, which will address the Buy America documentation requirements for material acceptance.

January 2013 Construction Manual Revision

9-1.2E Certification of Materials Origin

The “Buy America” provision (23 CFR 635.410, 23 USC 313) incorporated into the contract by General Special Provision, applies to all products containing steel or iron permanently incorporated into the project. The Contractor may choose to utilize minor quantities of foreign steel or iron, as described in the General Special Provision. Minor amounts of foreign steel and iron may be used in the project provided the cost of the foreign material used does not exceed one-tenth of one percent of the total contract cost or \$2,500.00, whichever is greater. Included in this amount are state supplied materials, Proprietary items and Contractor provided materials.

The “Buy America” applies to products that are manufactured predominately of steel and iron if the product consists of at least 90% steel or iron content when it is delivered to the jobsite for installation. The 90% is a percentage of the total monetary value of the manufactured product. To determine the 90% value, divide the raw steel or iron costs by the total manufactured product costs (without taxes, shipping, handling, or other fees applied), and if the percentage is equal to or greater than 90% of the final manufactured product costs then the “Buy America” provision applies.

Determining whether a product is steel or iron manufactured product, the jobsite includes the sites where any precast concrete products are manufactured. For example; the specific case of “precast concrete products” the casting yard/facility is considered part of the jobsite”, therefore the iron and steel materials delivered to the precast yard/facility are subject to the “Buy America” provision.

The Contractor shall provide the completed and signed Certificate of Materials Origin (CMO) to the Project Engineer prior to such items being incorporated into the permanent work.

Fabricated Items

- WSDOT Fabrications Inspection Offices will review the supporting documentation, i.e., Mill Certificates and CMOs prior to inspecting and Stamping/Tagging the fabricated material. The Fabricator/plant is required to supply the Fabrications Inspector the DOT Form 350-109EF completed and signed with each item prior to inspection.
- The project field inspector is required to document in either, the IDR, the QPL Contractor Product Information Page or the FNR prior to placement that the fabricated material is identified with a “D” – Domestic or “F” – Foreign per Section 9-1.5. Fabricated items bearing an “F” or not bearing any Stamp when delivered to the job site requires that the Project Engineer office obtain the DOT Form 350-109EF from the Contractor and retain this form in the project records.

Non-Fabricated Items

- The Project Office is required to obtain, and place in the materials file, a completed Certification of Materials Origin for any materials containing iron or steel. This certification may be supplied using DOT Form 350-109EF or another form containing all the same information as required by DOT Form 350-109EF.

Examples of products that are subject to “Buy America” provision include, but are not limited to the following:

- Steel or iron products used in pavements, bridges, tunnels or other structures, which include, but are not limited to the following: fabricated structural steel, reinforcing steel, piling, high strength bolts, anchor bolts, dowel bars, permanently incorporated sheet piling, bridge bearing, cable wire/strand, pre-stressing/post-tensioning wire, motor/machinery brakes and other equipment for moveable structures;
- Guardrail, guardrail posts, end sections, terminals, cable guardrail;
- Steel fencing material (fabric), fence post;
- Steel or iron pipe, conduit, grates, manhole covers, risers;
- Mast arms, poles, standards, trusses, or supporting structural members for signs, luminaires, or traffic control systems; and
- Steel or iron components of precast concrete products, such as reinforcing steel, wire mesh and pre-stressing or post-tensioning strands or cables.

The miscellaneous steel or iron components, subcomponents and hardware necessary to encase, assemble and construct the above products (or manufactured products that are not predominantly steel or iron) are not subject to the “Buy America” provision. Examples include, but are not limited to the following:

- Materials listed under 9-1.3C – Low Risk Materials
- Anchor Ferrules
- Architecture miscellaneous items – doors, hinges, fixtures, faucets, shelves, etc.
- Bollard and Components
- Non-High Strength Bolts, Washers, and Nuts
- Clamps
- Dobie/Mortar Blocks
- Construction Aides – lifting hooks and inserts
- Electrical Miscellaneous Fittings
- Erosion Control Miscellaneous Hardware
- Fence Miscellaneous Hardware
- Gate Hardware (except for fabric and poles)
- Gabion Miscellaneous Hardware (except for twisted and welded fabric)
- Irrigation System Components and Hardware (except for steel or iron pipes and conduit)
- Pipe Sleeves
- Precast Concrete Traffic Barrier Pins
- Rebar chair and Spacers
- Screws
- Shims
- Slope Protection Miscellaneous Hardware
- Utility Inserts
- Welding Rods and Welding Wire
- Weld Splices for Precast Concrete Girders

Date of Interim Change (01/24/2013)